

Message Text

CONFIDENTIAL

PAGE 01 STATE 138173

72

ORIGIN SS-15

INFO OCT-01 ISO-00 SSO-00 (ISO) R

66614

DRAFTED BY: EB:JDERHAM

APPROVED BY: ECJDERHAM

S/S-O:PJOHNSON

DIST: S/S, EB (ONLY)

----- 024696

O 122353Z JUN 75

FM SECSTATE WASHDC

TO USMISSION OECD PARIS IMMEDIATE

C O N F I D E N T I A L STATE 138173

EXDIS FOR ASSIST SEC ENDERS

FOLLOWING REPEAT CAIRO 5813 ACTION SECSTATE DTD 12 JUN

QTE

C O N F I D E N T I A L CAIRO 5813

EXDIS

E.O. 11652: GDS

TAGS: EAID EGEN EGY

SUBJECT: EMERGENCY AID FOR EGYPT

REF: STATE 134117

1. RE PARA 4 REFTTEL, THE PROPOSED TERMS MENTIONED
THEREIN FOR THE JUNE AID AND NEXT TWO CY 1975 LOANS
WOULD, IN MY JUDGMENT, ADVERSELY IMPACT ON OUR POLITICAL
OBJECTIVES IN EGYPT. I RECOGNIZE POINT ABOUT SOME
REASONABLE COMPATABILITY BETWEEN OUR EMERGENCY ASSISTANCE
AND THAT OF OTHER DONORS, BUT COMPARISON HERE WILL NOT
BE WITH IRANIAN AND SAUDI TERMS BUT WITH TERMS WE GRANT
ISRAEL. ADDITIONALLY, IT WILL AT ONCE BE NOTED THAT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 138173

THE PROPOSED TERMS ARE LESS FAVORABLE THAN THOSE

OF OUR FIRST CIP LOAN. SINCE ANY CIP LOAN AGREEMENT HAS TO BE RATIFIED, WHICH INCLUDES PEOPLES ASSEMBLY SCRUTINY AND APPROVAL, THE DISPARITY OF TERMS BETWEEN THE TWO LOANS IS CERTAIN TO BECOME WIDELY KNOWN AND EVOKE BITTER CRITICISM. WE WILL BE CHARGED WITH CLAIMING TO PROVIDE EMERGENCY ASSISTANCE TO EGYPT, YET TAKING ADVANTAGE OF EGYPT BY HARDENING THE TERMS. THE COMPARISON WITH GRANT AID TO ISRAEL WILL QUICKLY BE MADE.

2. IN MY JUDGMENT, TERMS SHOULD BE SAME AS THOSE FOR FIRST CIP LOAN, I.E. 40 YEARS REPAYMENT, 10 YEARS GRACE WITH 2 PERCENT INTEREST DURING GRACE PERIOD AND 3 1/2 PERCENT INTEREST THEREAFTER. APART FROM POLITICAL DESIRABILITY OF SUCH UNIFORMITY OF TERMS, IT WILL ALSO MAKE ADMINISTRATION/BOOKKEEPING OF THE VARIOUS LOANS A GREAT DEAL EASIER.
EILTS UNQTE KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, FOREIGN ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 12 JUN 1975
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE138173
Document Source: CORE
Document Unique ID: 00
Drafter: EB:JDERHAM
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750205-1149
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750655/aaaabxyh.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: 75 STATE 134117
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 21 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 MAY 2003 by MartinML>; APPROVED <01 OCT 2003 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EMERGENCY AID FOR EGYPT
TAGS: EAID, EGEN, EG, US
To: OECD PARIS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006